(8) Whatever necessary, mainten ance allowance should be sanctioned as per GO quoted against item No. 4 above.

(9) Other relief measures such as provision of immediate employment and wage employment wherever re quired shall be provided, if neces sary, by taking special Community De velopment Schemes, as per GO quo ted against Item No. 4.

Evasion of Central Excise Duty by M/s. I.T.C. Limited

. 1131. DR. BAPU KALDATE-
SHRIMATI KAMLA SINHA:

SHRI MOHAMMED AFZAL alias MEEM AFZAL:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Directorate General o'f Inspection under Central Board of Excise and Customs had delivered the judge-ment on 10th April, 1986 pertaining to various show cause notices for the evasion of Central Eixcise duty against M/s I.T.C. Limited and its various units;

(b) whether it is also a fact that Supreme Court had directed M/s. I.T.C. Limited to file an appeal against order of D.G.I, of 10th April, 1986 in spite of lapse of time;

(c) whether it is also a fact that Collector (Appeals) Allahabad directed M/s. I.T.C. Limited to deposit a sum of Rs. 20 crores before effective hearing of the appeal;

(d) i'f so, whether Government propose to review the order of Collector (Appeals), Allahabad or propose to file an appeal for the balance amount of Rs. 60.30 crores due from Mls. I.T.C. Limited, Saharanpur; and

(e) if the answer to part (d) above be in the negative the manner in which Government propose to recover from the company concerned the balance of Rs. 60.30 crores?

THE MINISTER OF STATE IN THE. MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes, Sir.

(b) No, Sir. Supreme Court did not direct Mis. I.T.C. Limited to file Appeal against D.G.I.'s impugned order while disposing of the SLP tiled by M/s. I.T.C. Ltd. Based or, D.G.I.'s Order, the jurisdictional Assistant Collector issued a demand notice to Mle. ITC Ltd. Against this demand notice M/s. ITC Ltd. filed a Writ Petition in the Allahabad High Court on the grounds that principles of natural justice had not been followed by the Department in issuing the demand notice. When Allahabad High Court dismissed the Writ Petition, M/s. ITC Ltd. filed an SLP in the Supreme Count. Supreme Court in its order dated 22-8-1990 observed that the ends of justice would be met if it permitted the petitioner to file a belated Appeal within one month 'from the date of Order with an application for condonation of delay whereon the appeal might be entertained. The Supreme Court further made it clear that all point which the petitioner could have urged against the assessment order passed by the Asstt. Collector (which was con-esquential to the order of D.G.I. dated 10-4-1986) had he filed an appeal instead of a Writ Petition should now be open to him. Accordingly Mls. ITC Ltd. filed Appeal against ihe impugned assessment order before Collector (Appeals).

(c) Yes, Sir.

(d) and (e) Do not arise at this stage as the matter is sub-judice before Collector (Appeals), Allahabad.

Enhanced Interest Rate for existing Deposits

1132. SHRI DINESHEHAI TRIVEDI:
SHRI SHIV PRATAP MISHRA:

Will the Minister o'f FINANCE be pleased to state:

(a) whether upward revision of interest rate announced by the Ee-

serve Bank of India would be applicable to the existing deposits out standing as on 27th July, 1991 also and

(b) if no',what are the reasons therefor?

THE MINISTERY Of STATE IN THE MINISTRY CHAIRMAN(SHRI DALBIR SINGH): *(a)* and (b) According to Reserve Bank of India (RBI), revisions of interest rate. whether upward or downward, is not made applicable to existing deposit* When a depositor places his tune's with a bank in a term deposit, he enters into contract with the bank whereunder the bank is bound to pay rate of interest, as specified by RSI, during the term of the deposit. However, to enable the existing depositors to avail of the advantage of revised rate of interest, a facility exists whereby a depositor can pre-maturely withdraw the existing deposits for reinvesting with the same bank for a longer period than the unexpired period, in which case no penalty is levied. Thus, the latest revision of interest rate effective from 4-7-91 is applicable to fresh deposits and on renewal to maturing deposits.

Reassessment of *M/s.* ITC for Assessment Year 1984-85

1133. DR. BAPU KALDATE;
SHRIMATI KAMLA SINHA:
SHRI MOHAMMED AFZAL
alias MEEM AFZAL:

WIU the Minister of FINANCE "be pleased to refer to the answer to Unstarred Question 408 given in the Rajya Sabha on the 28th December, 1989 and state:

(a) whether the re-assessment pro-ceedings pertaining to M/s. ITC Limi ted for the assessment year 1984-85 have been completed; and

(b) if so, what are the amounts due a* on date and what is the posi-tion of the recovery of the dues?

THE MINISTER OF STATE DJ THE MINISTRY OF FINANCE (SHRI RAMESHWAB THAKUR):

(a) Yes, Sir.

(b) For the Assessment Year 1994-85, no dues are outstanding against THE company as on date.

Re-assessment of Income Tax for the period 1981-87 of M/s. Godfrey Plulips India Ltd:

1134. DR. BAPU KALDATE:
SHRI MOHAMMED AFZAL
alias MEEM AFZAL;

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that M/s. Godfrey Philips India Limited, Bombay had approached the Settlement Commission at Bombay against the demand for assessment years 1984-86, 1985-86 and 1986-87;

(b) if so, whether Central .Board of Direct Taxes had directed the Chief Commissioner, Income-Tax (Central), Bombay to recover the amount due from the company by taking effective steps; and

(c) what is the latest position with regard to recoveries from the party?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) It is not true that M/s. Godfrey Philips India Ltd. have approached the Settlement Commission at Bombay against demand for the assessment years 1984-85, 1985-86 and 1986-87.

(b) No, Sir.

(c) Income-tax demand of Rs. 22635 lakhs (including interest of Rs. 69.49 lakhs) is outstanding against the company. Out of it, demand of Ra. 228.33 lakhs relates to the assessment year 1988-89 and the company has filed an appeal against the assesssment for this year. Howeve‚ the Commis sioner of Income-tax has asked the company to pay demand to the ex tent *eft* Rs. 153 lakhs in three month ly instalments.